



Foreign Affairs Manual Circular^{1/}

**SUBJECT: Importation and Sale of Personal Automobiles
and Other Personal Property Abroad**

No. 281

February 4, 1965

1. Purpose

The purpose of this circular is to prohibit the sale of personal automobiles, and other personal property, of American employees abroad at prices producing profits that result essentially from import privileges derived from their official status as employees of the United States Government. Its provisions apply to all American employees, regardless of agency, attached to United States embassies and constituent posts.

2. Background

The sale of personal property, particularly automobiles, abroad by American employees has, in certain instances, come under strong criticism because of profits the sellers have realized on the transactions. Profit-taking on sales of this kind diminishes the stature of the American mission, damages the United States image abroad, and results in undue personal advantages under circumstances created in substantial part by reason of official Government service to which special customs and import privileges are attached.

At the same time, where circumstances permit, a sales return that takes into account unusual operating conditions, maintenance inconveniences, and abnormal depreciation involved in operating personally-owned mechanical equipment under difficult local conditions abroad is not unreasonable. The level of the maximum return permitted in paragraph 3d is in recognition of the existence of these conditions.

3. Policy

- a. The importation, sale or export of personal property including automobiles of American employees and their dependents must be in accordance with the laws, regulations and conventions of the host country.

^{1/} Also constitutes Joint State/AID/USIA Circular.

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1. **Personal property, including motor vehicles, brought to posts abroad by American employees must be for their bona fide personal use or that of their dependents, and not with intent of sale or transfer.**

- b. **Personal property, including motor vehicles, brought to posts abroad by American employees must be for their bona fide personal use or that of their dependents, and not with intent of sale or transfer.**

- c. **Automobiles purchased for shipment to new posts of assignment should be unostentatious in appearance and modestly equipped.**

- d. **The employee will not be permitted to sell his personal property, including motor vehicles, at an amount in excess of the price he paid for it plus any taxes and customs paid by him, or for any valuable consideration in excess of the total of these amounts. However, an employee need not sell his personal property, including motor vehicles; he may export it, at his own or United States Government expense, under pertinent travel or shipping regulations. He must export it if required to do so by local law, local government regulation, or rules established by the ambassador.**

4. **Responsibility of the Ambassador**

Full responsibility rests with the ambassador for controlling the importation and sale of personal property by all American employees attached to the embassy or constituent posts. He will issue and ensure compliance with local regulations consistent with policy prescribed herein and with other applicable regulations.

5. **Issuance of Local Regulations**

Since conditions surrounding the importation and sale of personal property, including motor vehicles, vary widely country by country, Washington must rely on the ambassador to issue detailed local regulations and procedures tailored to meet unique local situations. In issuing such local regulations and procedures consideration should be given to the following alternatives among others available to the ambassador.

The ambassador may -

- a. **Limit or prohibit importation of certain kinds of personal property. (For example, he may limit the number or frequency of motor vehicles imported.)**

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- 3 -

- b. Limit classes of persons to whom sales may be made. (For example, he may arrange for personal property sales to the host government, or to the United States Mission's commissary or employee association for use or rental by it.)
- c. Limit the conversion of currency realized from the sale of personal property.
- d. Require the exportation of personal property at Government or the employee's expense under applicable travel or shipping regulations.

6. Disciplinary Action

Failure to adhere to prescribed policies and regulations relating to the importation and sale of automobiles and other personal property will subject an employee to severe disciplinary action, including possible separation from the service.

7. Notice to Employees

This circular, and local regulations prescribed pursuant to it, shall be brought to the attention of all employees in connection with their preparations for duty abroad.

8. Effective Date

The provisions of this circular will become effective March 1, 1965. However, the ambassador is authorized to grant an exception for a reasonable time thereafter in connection with any transaction begun by an employee in good faith before the effective date of this circular.

(OM/RP)

(NOTE: Number of last circular issued: FAMC No. 280.)

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